

# CABINET Post-Decision

## Summary of the Decisions taken

**Date of Meeting** Wednesday, 9th March, 2022 **Issued By:-** Nick Pontone

**Date of Delivery to Members:** Thursday, 10<sup>th</sup> March, 2022

**Date which any call in must be received by:** Thursday, 17<sup>th</sup> March, 2022

**Implementation of decisions delayed to:** Friday, 18<sup>th</sup> March, 2022

(Other than those items marked with an asterisk (\*) which need to be implemented urgently and those items marked with a hash (#) which have been considered by scrutiny in the past 6<sup>th</sup> months and cannot be called in).

AGENDA ITEM.	SUBJECT MATTER	DECISION PROPOSED	WARD	PROPOSED TO BE RESOLVED/ RECOMMENDED
1.	Declarations of Interest	None declared.		-
2.	Section 25 Report #	The Director of Finance's report under section 25 of the Local Government Act 2003 as set out in section 2 of the report which advised the Cabinet of the Director of Finance's recommendations including the risks when considering the 2022/23 budget was noted and Cabinet agreed to recommend to Council on 10 <sup>th</sup> March 2022.	All	Recommended

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3.	2022/23 Revenue Budget #	<p>The Cabinet resolved to Recommend to full Council the following:</p> <ol style="list-style-type: none"> <li>1. Approval of the 2022/23 budget to enable the Council Tax for 2022/23 to be set;</li> <li>2. Approval of the Model Council Tax Resolution 2022/23 as set out in Appendix B;</li> <li>3. Delegate authority to the Director of Finance, to place a notice in the local press of the amounts set under recommendation 2 within a period of 21 days following the Council's decision;</li> <li>4. Approve the Medium-Term Financial Strategy (MTFS) as based on the estimated financial deficit in the Capitalisation Direction and to be funded by capitalisation of:               <ol style="list-style-type: none"> <li>a. £223.1m up to 2021/22</li> <li>b. £84.1m for 2022/23</li> <li>c. £171.1m for beyond 2022/23</li> </ol> </li> <li>5. Approve the Capital Receipts Flexibility Strategy as agreed in 2021/22.</li> </ol>	All	Recommended

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		<p>6. Approve the overall General Fund revenue budget of £191.7m, to include:</p> <ul style="list-style-type: none"> <li>a. growth for pressures for contract inflation and pay inflation of £8.178m</li> <li>b. proposed savings by directorate of £19.959m</li> </ul> <p>7. Approval of the Members Allowances Scheme for 2022-23 at Appendix I</p> <p>The noted the following:</p> <ul style="list-style-type: none"> <li>8. The balanced budget position for 2022/23 requiring savings of £19.959m and the projected financial deficit between 2023/24 to 2028/29</li> <li>9. The inclusion within the Capitalisation Direction of £1m per year from 2022/23 onwards as a means to rebuild the General Fund and Earmarked Reserves balance</li> <li>10. The intention to increase Council Tax by 1.99% in 2022/23</li> <li>11. The intention to increase Council Tax by a further 1% in 2022/23 in respect of the Adult Social Care Precept</li> </ul>		

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		<p>12. The assumed funding for the protection of social care 2022/23 through the Better Care Fund</p> <p>13. That due regard has been had to the s.25 report by the Director of Finance at Appendix H</p> <p>To agree the following:</p> <p>14. Approval of the Fees and Charges Policy Framework, with a recommendation that Council approve this for non-executive functions</p> <p>The Cabinet considered an Addendum set out in the Supplementary Agenda and agreed to:</p> <p>Recommend to full Council:</p> <ul style="list-style-type: none"> <li>i. Acceptance of the capitalisation direction of £223m up to 31.03.22</li> <li>ii. Acceptance of the capitalisation direction of £84.1m for the 2022/23 financial year</li> <li>iii. Acceptance of the accompanying conditions set out in the report.</li> </ul> <p>Noted:</p> <ul style="list-style-type: none"> <li>i. The capitalisation direction is not a grant. The Council needs to fund</li> </ul>		

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		<p>the revenue expenditure capitalised from disposing of assets to repay the resulting debt.</p> <p>ii. The Council is in a precarious state and will be required to request future capitalisation directions to balance future years budgets, estimated at an additional £172m, £479m in total</p> <p>iii. The minded to directions will be converted into actual directions on an annual basis as the accounts for each year are closed and audited</p>		
4.	Capital Programme 2022/23 to 2026/27 #	That the Cabinet recommend to full Council that it approves the Capital Programme as set out in Appendix A to the report for 2022/23 to 2026/27.	All	Recommended
5.	Treasury Management Strategy 2022/23 #	<p>The Cabinet agreed to recommend to Council the following:</p> <p>a. Approve the Treasury Management Strategy (TMS) for 2022/23 including:</p> <p>i. the Annual Investment Strategy for 2022/23 (Appendix 2)</p> <p>ii. Minimum Revenue Provision Policy Statement for 2022/23 (Appendix 1)</p> <p>iii. the Prudential Indicators for the period 2022/23 to 2024/25 (Section 4)</p>	All	Recommended

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		b. Agree that the MRP policy as set out in the TMS for 2022/23 shall also apply for the financial year 2021/22.		
6.	Update on Dedicated Schools Grant Management Plan #	<p>That the Cabinet note the following and recommend the report to Council for noting:</p> <ul style="list-style-type: none"> <li>• the forecast position for DSG spend in 2021/22 to 2024/25</li> <li>• the overarching issues that have resulted in the DSG deficit and the actions taken to date to address these</li> <li>• the Council has been invited to take part in the 'safety valve' intervention programme with the DfE which is expected to commence in April/May 2022.</li> </ul>	All	Recommended
7.	Council Tax Support Scheme 2022-23 #	That it be recommended to full Council that the Council Tax Support Scheme remain unchanged for 2022-23 and that as allowed within the scheme the income bands are updated once more in line with inflation (3.1%) to protect the most vulnerable from the ongoing and significant cost of living rises.	All	Recommended
8.	Revenue and Capital Monitoring Report - 2021/22 [Quarter 3 - December 2021] #	<p>That the following be noted:</p> <ul style="list-style-type: none"> <li>• The forecast year-end position for the General Fund revenue budgets is a net adverse variance of £292k. The current forecast assumes Covid-19 pressures will be funded from additional grants received in year and will continue to be</li> </ul>	All	Resolved

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		<p>monitored monthly and reported alongside any grant funding provided to mitigate the spend or lost income.</p> <ul style="list-style-type: none"> <li>• That there are a number of exceptional issues, estimated to be £95m, not included in the forecast above that are included in the Capitalisation Direction request to DLUHC.</li> <li>• The DSG balance is forecast to be a cumulative deficit of £25.5m by the end of this financial year.</li> <li>• At end of December 2021, the HRA was forecasting a surplus of £0.927m for 2021/22, however this may change as work progresses on the Business Plan. Any surplus will be transferred to the HRA reserves at year-end.</li> <li>• The additions and reductions to the capital programme set out in appendix E.</li> <li>• The forecast capital programme outturn for the General Fund for 2021/22 is currently £55m, of which £12m is to be financed from new borrowing.</li> </ul>		

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		<ul style="list-style-type: none"> <li>The forecast capital programme outturn for the HRA for 2021/22 is currently £13.0m.</li> </ul>		
9.	Extension of Internal Audit Contract	<p>(a) Approved the extension of the Internal Audit Contract for 1 year to cover the work needed to complete the Head of Internal Audit Opinion for 2022/23 and with an option for a further extension of 1 further year to provide flexibility should recruitment of an in-house team take longer than expected or be unsuccessful.</p> <p>(b) Delegated authority to the Director of Finance, in consultation with the Lead Member for Forward Strategy and Corporate Resources and the Lead Member for Financial Oversight, Council Assets and Performance to award a contract to RSM Risk Assurance Services LLP for the provision of internal audit services in line with an internal audit plan to be agreed with the council and approved by the Audit and Corporate Governance Committee.</p>	All	Resolved